

Department of Public Health  
and Human Services

Section:  
COVERAGE GROUPS

FAMILY MEDICAID

Subject:  
Poverty Level Child (MA-PC)

**DRAFT**

**Supersedes:** FMA 201-7, 01/01/04

**References:** 42 CFR 435.116, .117; ARM 37.82.101 and .701; OBRA '86; SB 132

**GENERAL RULE**--Poverty Child Medicaid may be opened for eligible children through the month of their sixth birthday. The children must meet certain non-financial and financial criteria. The countable adjusted gross earned income (after allowable disregards are applied - see FMA 602-1) and gross unearned income must be at or below 133% of the federal poverty level (FMA 004). Only children who meet the age criteria may actually receive Poverty Child coverage.

**NOTE:** A child is **NOT** required to be living with a specified caretaker relative in order to receive coverage under the Poverty Child program.

#### **NON-FINANCIAL CRITERIA**

Applicants for Poverty Child coverage must meet the following non-financial criteria:

1. Age (under age six);
2. Social Security Number (a Social Security Card is NOT required);
3. Residence;
4. Citizenship and/or alienage;

**EXCEPTION:** A newborn child (no more than 30 days old) whose parent surrenders it to an emergency service provider under the **Montana Safe Haven Newborn Protection Act of 2001** may not have a birth certificate or Social Security Number. Children surrendered under this act are presumed to have been born in Montana, and therefore are considered U.S. Citizens and Montana residents.

The Department's Child and Family Services (CFS) Division will assume care, control and temporary protective custody of these newborn children. The children will be placed with prospective adoptive families as soon as possible.

CFS may apply for Medicaid on behalf of these children prior to the child having a birth certificate or SSN.

Any newborn identified as having been surrendered under this Act will have their Medicaid eligibility determined without a SSN or birth certificate, if they are not available. A system alert should be set to request these at a later date (it may take 6 months or longer to have a birth certificate and SSN issued for these children).

► In addition, the applicant/child's parent/caretaker must cooperate with:

1. Managed care (PASSPORT provider);
2. Program Compliance; and
- 3. TPL, including
  - a. HIPPS
  - b. Trauma questionnaires
  - c. Providing information on available insurance and
  - d. Insurance questionnaires

**NOTE:** If the parent/caretaker fails to cooperate with TPL, the child's eligibility is not affected; the child's coverage must not be closed because their parent/caretaker fails to cooperate with TPL.

#### **REQUIRED FILING UNIT MEMBERS**

Certain family members must file for Medicaid as a unit. Not all members of the Medicaid filing unit may receive assistance. The Medicaid filing unit **must include** the:

1. Child for whom application is being made;
2. Natural/adoptive parent(s) of the child; and
3. Stepparent (stepparent income must be deemed - see FMA 603-1)

► Proof of the child's parent's citizenship/alien status CANNOT be required. If it is known that the child's parent does not meet citizenship or qualified alien status, they are not coded 'DQ', they remain coded 'IP' and case notes are documented regarding their citizenship/alien status.

#### **OPTIONAL MEMBERS**

The family may choose to include siblings/stepsiblings of the applicant child if those siblings also need medical coverage. Including siblings will increase the household size and allow for the higher income standards to be used. **Siblings/stepsiblings of the applicant child are not required filing unit members.**

**NOTE:** If stepsiblings are included in the filing unit (coded 'IC') or assistance unit (coded 'IN'), they cannot also be included in the 'deemed NMI' size on SEPA. To be included in the 'deemed NMI' size, the stepsibling must be coded 'OU'.

**EXCLUDED  
HOUSEHOLD  
MEMBERS**

If an individual is not included in the filing unit, their income and resources are disregarded. If contributions are being made, only the amount that is contributed is countable.

An individual who lives in the same household as the dependent child must be excluded if he or she is:

1. A sibling age nineteen or older;
2. An SSI cash recipient;
3. Not the child's parent;

**EVALUATE  
INCOME AND  
RESOURCES**

1. Compare the adjusted gross earned income (after applicable disregards - see FMA 602-1) and gross unearned income to 133% of the federal poverty standard. All countable income of required filing unit members is counted in full.
2. Compare the countable resources to \$3,000. All countable resources of required filing unit members are counted in full.

If income (after applicable disregards are deducted) exceeds the poverty level standard for the filing unit size, there is no eligibility for MA-PC. Examine for Medically Needy MA-FM and/or Ribicoff Child (MA-RK) eligibility (if the child is not living with a parent or specified caretaker relative).

**CHILD RESIDING  
WITH MINOR  
PARENT(S) AND  
GRANDPARENT(S)**

Use only the income and resources of the minor parent(s) plus any income and resources of the child. Consider income from grandparent(s) only if actually contributed. Grandparents are not required filing unit members.

**SAMPLE  
FILING UNIT**

1. A household consists of Violet, Denis and their two children (Cyndi and Mike). They are not eligible for MA-FM due to their income exceeding the standard. Cyndi is 2 yrs old and Mike is 12. Test first for coverage as Poverty Child.

Required filing unit members:

- a. Violet (TEAMS Code 'IP');
- b. Denis (Code 'IP'); and
- c. Cyndi (Code 'IN').

Mike is not a required filing unit member, Violet and Denis may choose to either include (code 'IC') or exclude (code 'OU') him from the filing unit.

If income exceeds 133% of poverty, test for coverage as medically needy MA-FM. Use the appropriate household standards, but provide Medicaid coverage only for the eligible children under the appropriate subtype.

2. Household consists of Diane, her 4-year-old daughter Skye, her husband Larry, and Larry's 5-year-old son Robert. Skye needs medical coverage.

Required filing unit members:

- a. Diane ('IP');
- b. Skye ('IN');
- c. Larry ('DP'); and
- d. Robert ('IC' or 'OU')

Larry must be coded 'DP' because he is Skye's stepfather. See FMA 603-1 for more information on stepparent deeming. Robert can be coded either 'IC', and be included in the household size, or coded 'OU', and be included in the deemed NMI size.

If Robert also needed medical coverage, the filing unit would include Robert (code 'IN') and both Larry and Diane, coded 'IP'.

**EXCEPTION:** If both children have income which separately does not preclude Medicaid eligibility, but when combined does, two separate cases will need to be set up to allow Medicaid coverage for both children.

3. A household consists of Betty and Ben Jones, their 6 and 9 yr old children, and Betty's friend Karen's 4 and 7-year-old daughters. Karen is not living in the home. Karen's daughters need medical coverage.

Required MA-PC filing unit member would be only the 4-year-old girl. Her 7-year-old sister could be coded either 'IC' or 'OU'. Check for MA-PS eligibility for the 7-year-old. The filing unit would be the 7-yr-old (code 'IN'). The 4-yr-old could be coded either 'IC' or 'OU'.

Betty and her family are not required filing unit members, and cannot be included in the coverage. Eligibility will be based solely on Karen's children's income and resources.